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**State:** Illinois **Filing Company:** National Union Fire Insurance Company of Pittsburgh, Pa.

**TOI/Sub-TOI:** 11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry

**Product Name:** Psychiatrists Professional Liability Insurance Program 015106400288

**Project Name/Number:** Psychiatrists Professional Liability Insurance Program/AIG-13-EO-05

## Filing at a Glance

Company: National Union Fire Insurance Company of Pittsburgh, Pa.

Product Name: Psychiatrists Professional Liability Insurance Program 015106400288

State: Illinois

TOI: 11.0 Medical Malpractice - Claims Made/Occurrence

Sub-TOI: 11.0026 Psychiatry

Filing Type: Rate/Rule

Date Submitted: 06/11/2013

SERFF Tr Num: AGNY-129024473

SERFF Status: Closed-Filed

State Tr Num: AGNY-129024473

State Status:

Co Tr Num: AIG-13-EO-05

Effective Date: On Approval

Requested (New):

Effective Date: On Approval

Requested (Renewal):

Author(s): Myron Harry

Reviewer(s): Gayle Neuman (primary)

Disposition Date: 08/28/2013

Disposition Status: Filed

Effective Date (New): 08/28/2013

Effective Date (Renewal): 08/28/2013

State Filing Description:

**State:** Illinois **Filing Company:** National Union Fire Insurance Company of Pittsburgh, Pa.

**TOI/Sub-TOI:** 11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry

**Product Name:** Psychiatrists Professional Liability Insurance Program 015106400288

**Project Name/Number:** Psychiatrists Professional Liability Insurance Program/AIG-13-EO-05

## General Information

Project Name: Psychiatrists Professional Liability Insurance Program Status of Filing in Domicile:

Project Number: AIG-13-EO-05 Domicile Status Comments: Filing being submitted simultaneously on a Countrywide basis.

Reference Organization: Reference Number:

Reference Title: Advisory Org. Circular:

Filing Status Changed: 08/28/2013

State Status Changed: Deemer Date:

Created By: Myron Harry Submitted By: Myron Harry

Corresponding Filing Tracking Number:

### Filing Description:

National Union Fire Insurance Company of Pittsburgh, Pa. (the "Company") submits for your review and approval its new Psychiatrists Professional Liability Insurance Program (the "Program").

The Company currently has on file with your Department its' Psychiatrists Professional Liability Program, under Company filing no.AIC-00-MM-03. This Program was offered through the Program Administrator, Professional Risk Management Services, Inc. (PRMS) to members of Psychiatrists' Purchasing Group, Inc. (formerly American Psychiatric Association Purchasing Group, Inc.).

Effective December 31, 2012, the Company and PRMS terminated their relationship. However, the Company intends to continue providing insurance products and claims services to the psychiatrist market segment as they have done for many years.

The Company is introducing a new product to the psychiatrist market segment. The forms, rates and rules for its new Psychiatrists Professional Liability Insurance Program are submitted for your review and approval and are independent of any risk purchasing group. To avoid any disruption in the marketplace, the Company also seeks approval to maintain the existing Psychiatrists Program through December 12/31/2013.

Please refer to the attached filing memorandum, rates page, rules and actuarial material for information about the rates and rules included in this submission.

The forms for this Program are being submitted under separate cover.

Your favorable consideration and approval are respectfully requested.

## Company and Contact

### Filing Contact Information

Myron Harry,	myron.harry@aig.com
12 Metrotech, 27th Floor	718-250-1771 [Phone]
Brooklyn, NY 11201	718-250-1779 [FAX]

**State:** Illinois **Filing Company:** National Union Fire Insurance Company of Pittsburgh, Pa.

**TOI/Sub-TOI:** 11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry

**Product Name:** Psychiatrists Professional Liability Insurance Program 015106400288

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### Filing Company Information

National Union Fire Insurance Company of Pittsburgh, Pa.	CoCode: 19445	State of Domicile:
175 Water Street	Group Code: 12	Pennsylvania
New York, NY 10038	Group Name:	Company Type:
(212) 458-5000 ext. [Phone]	FEIN Number: 25-0687550	State ID Number:

### Filing Fees

Fee Required? No

Retaliatory? No

Fee Explanation:

### State Specific

Refer to our checklists prior to submitting filing ([http://www.idfpr.com/DOI/Prop\\_Cas\\_IS3\\_Checklists/IS3\\_Checklists.htm](http://www.idfpr.com/DOI/Prop_Cas_IS3_Checklists/IS3_Checklists.htm)):

Acknowledged

Refer to our updated (04/06/2007) SERFF General Instructions prior to submitting filing. They have been updated to clarify what rates and rules are required to be filed as well as what rates and rules are not required to be filed. Also, the "Product Name" is the Filing Title and not the Project Number.: Acknowledged

NO RATES and/or RULES ARE REQUIRED TO BE FILED FOR LINES OF COVERAGE SUCH AS COMMERCIAL AUTO (except taxicabs), BURGLARY AND THEFT, GLASS, FIDELITY, SURETY, COMMERCIAL GENERAL LIABILITY, CROP HAIL, COMMERCIAL PROPERTY, DIRECTORS AND OFFICERS, ERRORS AND OMISSIONS, COMMERCIAL MULTI PERIL just to mention a few. However, a Summary Sheet (RF-3) is required to be filed. Please refer to the State Specific Field below for what rates/rules are required to be filed and to our checklists for specific statutes, regulations, etc. :

[http://insurance.illinois.gov/Prop\\_Cas\\_IS3\\_Checklists/IS3\\_Checklists.asp](http://insurance.illinois.gov/Prop_Cas_IS3_Checklists/IS3_Checklists.asp) .: Acknowledged

Medical Malpractice rates/rules may now be submitted using SERFF effective January 1, 2012.: Acknowledged

The only rates and/or rules that are required to be filed are Homeowners, Mobile Homeowners, Dwelling Fire and Allied Lines, Workers' Compensation, Liquor Liability, Private Passenger Automobiles, Taxicabs, Motorcycles and Group Inland Marine Insurance which only applies to insurance involving personal property owned by, being purchased by or pledged as collateral by individuals, and not used in any business, trade or profession per Regulation Part 2302 which says in part, "each company shall file with the Director of Insurance each rate, rule and minimum premium before it is used in the State of Illinois.":

Acknowledged

When selecting a form filing type for a multiple form filing, use the dominant type from these choices: APP - application; CER - certificate; COF - coverage form; DPS - declaration page; END - endorsement; POJ - policy jacket; ORG - Companies adopting an Advisory or Rating Organization's filing. Example: If you are submitting a policy as well as endorsements, a declaration page and an application, you would select "POL" for policy.: N/A - Rates/Rules Filing

<b>State:</b>	Illinois	<b>Filing Company:</b>	National Union Fire Insurance Company of Pittsburgh, Pa.
<b>TOI/Sub-TOI:</b>	11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry		
<b>Product Name:</b>	Psychiatrists Professional Liability Insurance Program 015106400288		
<b>Project Name/Number:</b>	Psychiatrists Professional Liability Insurance Program/AIG-13-EO-05		

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Filed	Gayle Neuman	08/28/2013	08/28/2013

## Objection Letters and Response Letters

### Objection Letters

Status	Created By	Created On	Date Submitted
Pending Industry Response	Gayle Neuman	08/14/2013	08/14/2013
Pending Industry Response	Gayle Neuman	07/30/2013	07/30/2013
Pending Industry Response	Gayle Neuman	07/25/2013	07/25/2013
Pending Industry Response	Gayle Neuman	07/17/2013	07/17/2013
Pending Industry Response	Gayle Neuman	06/25/2013	06/25/2013

### Response Letters

Responded By	Created On	Date Submitted
Myron Harry	08/28/2013	08/28/2013
Myron Harry	08/12/2013	08/12/2013
Myron Harry	07/29/2013	07/29/2013
Myron Harry	07/25/2013	07/25/2013
Myron Harry	07/17/2013	07/17/2013

### Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Psychiatrists Professional Liability Insurance Program - AIG-13-EO-05	Note To Reviewer	Myron Harry	08/28/2013	08/28/2013
effective date	Note To Filer	Gayle Neuman	08/28/2013	08/28/2013

<b>State:</b>	Illinois	<b>Filing Company:</b>	National Union Fire Insurance Company of Pittsburgh, Pa.
<b>TOI/Sub-TOI:</b>	11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry		
<b>Product Name:</b>	Psychiatrists Professional Liability Insurance Program 015106400288		
<b>Project Name/Number:</b>	Psychiatrists Professional Liability Insurance Program/AIG-13-EO-05		

## Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
extension	Note To Filer	Gayle Neuman	08/22/2013	08/22/2013
Psychiatrists Professional Liability Insurance Program - AIG-13-EO-05	Note To Reviewer	Myron Harry	08/21/2013	08/21/2013
extension	Note To Filer	Gayle Neuman	08/07/2013	08/07/2013
Psychiatrists Professional Liability Insurance Program - AIG-13-EO-05	Note To Reviewer	Myron Harry	08/06/2013	08/06/2013
Psychiatrists Professional Liability Program - AIG-13-EO-05	Note To Reviewer	Myron Harry	07/16/2013	07/16/2013
extension	Note To Filer	Gayle Neuman	07/03/2013	07/03/2013
Psychiatrists PL Insurance Program - AIG-13-EO-05	Note To Reviewer	Myron Harry	07/02/2013	07/02/2013

<b>State:</b>	Illinois	<b>Filing Company:</b>	National Union Fire Insurance Company of Pittsburgh, Pa.
<b>TOI/Sub-TOI:</b>	11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry		
<b>Product Name:</b>	Psychiatrists Professional Liability Insurance Program 015106400288		
<b>Project Name/Number:</b>	Psychiatrists Professional Liability Insurance Program/AIG-13-EO-05		

## Disposition

Disposition Date: 08/28/2013  
Effective Date (New): 08/28/2013  
Effective Date (Renewal): 08/28/2013  
Status: Filed

Comment:

Rate data does NOT apply to filing.

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Explanatory Memorandum		No
Supporting Document	Form RF3 - (Summary Sheet)		Yes
Supporting Document	Certification		Yes
Supporting Document	Request to Maintain Data as Trade Secret Information		Yes
Supporting Document	Manual		Yes
Supporting Document	Filing Memorandum		Yes
Supporting Document	IIL ERP Amendatory Endorsement		Yes
Supporting Document	GL vs PremOps Rates		Yes
Supporting Document	IL PL Explanation		Yes
Rate (revised)	IL Rates Page		Yes
Rate	IL Rates Page		Yes
Rate (revised)	IL Rules (8.2013)		Yes
Rate	IL Rules (4.2013)		Yes
Rate	IL Rules (4.2013)		Yes

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**State:** Illinois **Filing Company:** National Union Fire Insurance Company of Pittsburgh, Pa.

**TOI/Sub-TOI:** 11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry

**Product Name:** Psychiatrists Professional Liability Insurance Program 015106400288

**Project Name/Number:** Psychiatrists Professional Liability Insurance Program/AIG-13-EO-05

## Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	08/14/2013
Submitted Date	08/14/2013
Respond By Date	08/21/2013

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Dear Myron Harry,

**Introduction:**

*This is to acknowledge receipt of your filing. Your submission is not acceptable for filing in Illinois due to the following reasons:*

*If the insured selects the 5 year premise liability tail option, what is done about the professional liability tail? Is it free too? For 5 years?*

**Conclusion:**

*Sign up to get e-mail notification for updates to the Department's website. <http://insurance.illinois.gov/RSS/>*

*Please refer to the appropriate Property Casualty IS3 Review Requirements Checklist before submitting any filing. The checklists are available at the Department's Web site or at the following link:*

*[http://insurance.illinois.gov/Prop\\_Cas\\_IS3\\_Checklists/IS3\\_Checklists.asp](http://insurance.illinois.gov/Prop_Cas_IS3_Checklists/IS3_Checklists.asp)*

*Please submit compliant form(s) no later than the date shown above or the entire filing may be disapproved. Please be advised that when the Director disapproves the form(s) you must immediately cease using the form(s) in Illinois.*

*Please give this matter your immediate attention. If you have any question regarding this filing please feel free to contact me.*

*Sincerely,*

*Gayle Neuman*

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<b>State:</b>	Illinois	<b>Filing Company:</b>	National Union Fire Insurance Company of Pittsburgh, Pa.
<b>TOI/Sub-TOI:</b>	11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry		
<b>Product Name:</b>	Psychiatrists Professional Liability Insurance Program 015106400288		
<b>Project Name/Number:</b>	Psychiatrists Professional Liability Insurance Program/AIG-13-EO-05		

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## Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	07/30/2013
Submitted Date	07/30/2013
Respond By Date	08/06/2013

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Dear Myron Harry,

### **Introduction:**

*This is to acknowledge receipt of your filing. Your submission is not acceptable for filing in Illinois due to the following reasons:*

*Pursuant to 215 ILCS 5/143(s), professional liability coverage must have separate limits (including aggregates). For example, general liability cannot reduce the limits of the professional liability coverage. Any forms that contain provisions to the contrary are deemed to contain exceptions and conditions that unreasonably or deceptively affect the risks that are purported to be assumed by the policy, in violation of Section 143(2) and will be disapproved accordingly.*

*Because premise liability is also included, the extended reporting period must also offer a free five year tail. If the insured chooses this option, the 200% charge would not apply.*

### **Conclusion:**

*Sign up to get e-mail notification for updates to the Department's website. <http://insurance.illinois.gov/RSS/>*

*Please refer to the appropriate Property Casualty IS3 Review Requirements Checklist before submitting any filing. The checklists are available at the Department's Web site or at the following link:*

*[http://insurance.illinois.gov/Prop\\_Cas\\_IS3\\_Checklists/IS3\\_Checklists.asp](http://insurance.illinois.gov/Prop_Cas_IS3_Checklists/IS3_Checklists.asp)*

*Please submit compliant form(s) no later than the date shown above or the entire filing may be disapproved. Please be advised that when the Director disapproves the form(s) you must immediately cease using the form(s) in Illinois.*

*Please give this matter your immediate attention. If you have any question regarding this filing please feel free to contact me.*

*Sincerely,*

*Gayle Neuman*



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**State:** Illinois **Filing Company:** National Union Fire Insurance Company of Pittsburgh, Pa.

**TOI/Sub-TOI:** 11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry

**Product Name:** Psychiatrists Professional Liability Insurance Program 015106400288

**Project Name/Number:** Psychiatrists Professional Liability Insurance Program/AIG-13-EO-05

## Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	07/25/2013
Submitted Date	07/25/2013
Respond By Date	08/01/2013

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Dear Myron Harry,

### **Introduction:**

*This is to acknowledge receipt of your filing. Your submission is not acceptable for filing in Illinois due to the following reasons:*

*An amendatory endorsement with changes needs to be submitted in a separate form filing. The manual is what has to be changed in this filing - additionally addressing the scheduled rating issue. Please submit the required changes to the rate/rule manual.*

### **Conclusion:**

*Sign up to get e-mail notification for updates to the Department's website. <http://insurance.illinois.gov/RSS/>*

*Please refer to the appropriate Property Casualty IS3 Review Requirements Checklist before submitting any filing. The checklists are available at the Department's Web site or at the following link:*

*[http://insurance.illinois.gov/Prop\\_Cas\\_IS3\\_Checklists/IS3\\_Checklists.asp](http://insurance.illinois.gov/Prop_Cas_IS3_Checklists/IS3_Checklists.asp)*

*Please submit compliant form(s) no later than the date shown above or the entire filing may be disapproved. Please be advised that when the Director disapproves the form(s) you must immediately cease using the form(s) in Illinois.*

*Please give this matter your immediate attention. If you have any question regarding this filing please feel free to contact me.*

*Sincerely,*

*Gayle Neuman*

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<b>State:</b>	Illinois	<b>Filing Company:</b>	National Union Fire Insurance Company of Pittsburgh, Pa.
<b>TOI/Sub-TOI:</b>	11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry		
<b>Product Name:</b>	Psychiatrists Professional Liability Insurance Program 015106400288		
<b>Project Name/Number:</b>	Psychiatrists Professional Liability Insurance Program/AIG-13-EO-05		

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## Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	07/17/2013
Submitted Date	07/17/2013
Respond By Date	07/26/2013

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Dear Myron Harry,

### **Introduction:**

*This is to acknowledge receipt of your filing. Your submission is not acceptable for filing in Illinois due to the following reasons:*

*Pursuant to Company Bulletin 2011-05, schedule rating plans must allow for both scheduled debits/credits, and must be limited to a maximum level for all scheduled debits and credits of +/- 25%.*

*Because the policy also provides general liability coverage, the extended reporting period must be offered with these options*

- 1. the insured gets a free 60 day period after the end of the policy to request the e.r.p.*
- 2. the insured must be offered:*
  - (a) a free 5 year tail; and*
  - (b) an unlimited tail with limits reinstated (100% of aggregate expiring limits for the duration) and premium capped (e.r.p. is limited to a 200% cap of the annual premium of the expiring policy)*

*Please indicate if your company has a plan for the gathering of statistics or the reporting of statistics to statistical agencies? If yes, what stat agency is being used?*

### **Conclusion:**

*Sign up to get e-mail notification for updates to the Department's website. <http://insurance.illinois.gov/RSS/>*

*Please refer to the appropriate Property Casualty IS3 Review Requirements Checklist before submitting any filing. The checklists are available at the Department's Web site or at the following link:*

*[http://insurance.illinois.gov/Prop\\_Cas\\_IS3\\_Checklists/IS3\\_Checklists.asp](http://insurance.illinois.gov/Prop_Cas_IS3_Checklists/IS3_Checklists.asp)*

*Please submit compliant form(s) no later than the date shown above or the entire filing may be disapproved. Please be advised that when the Director disapproves the form(s) you must immediately cease using the form(s) in Illinois.*

*Please give this matter your immediate attention. If you have any question regarding this filing please feel free to contact me.*

*Sincerely,*

*Gayle Neuman*

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<b>State:</b>	Illinois	<b>Filing Company:</b>	National Union Fire Insurance Company of Pittsburgh, Pa.
<b>TOI/Sub-TOI:</b>	11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry		
<b>Product Name:</b>	Psychiatrists Professional Liability Insurance Program 015106400288		
<b>Project Name/Number:</b>	Psychiatrists Professional Liability Insurance Program/AIG-13-EO-05		

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## Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	06/25/2013
Submitted Date	06/25/2013
Respond By Date	07/02/2013

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Dear Myron Harry,

### **Introduction:**

*This is to acknowledge receipt of your filing. Your submission is not acceptable for filing in Illinois due to the following reasons:*

*Pursuant to 50 Ill. Adm. Code 754.10, identification of all changes to all superseding filings is required. Please overstrike deleted text and underline added/changed text.*

### **Conclusion:**

*Sign up to get e-mail notification for updates to the Department's website. <http://insurance.illinois.gov/RSS/>*

*Please refer to the appropriate Property Casualty IS3 Review Requirements Checklist before submitting any filing. The checklists are available at the Department's Web site or at the following link:*

*[http://insurance.illinois.gov/Prop\\_Cas\\_IS3\\_Checklists/IS3\\_Checklists.asp](http://insurance.illinois.gov/Prop_Cas_IS3_Checklists/IS3_Checklists.asp)*

*Please submit compliant form(s) no later than the date shown above or the entire filing may be disapproved. Please be advised that when the Director disapproves the form(s) you must immediately cease using the form(s) in Illinois.*

*Please give this matter your immediate attention. If you have any question regarding this filing please feel free to contact me.*

*Sincerely,*

*Gayle Neuman*

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<b>State:</b>	Illinois	<b>Filing Company:</b>	National Union Fire Insurance Company of Pittsburgh, Pa.
<b>TOI/Sub-TOI:</b>	11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry		
<b>Product Name:</b>	Psychiatrists Professional Liability Insurance Program 015106400288		
<b>Project Name/Number:</b>	Psychiatrists Professional Liability Insurance Program/AIG-13-EO-05		

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## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	08/28/2013
Submitted Date	08/28/2013

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Dear Gayle Neuman,

**Introduction:**

In response to your comment letter dated August 14, 2013, we offer the following:

**Response 1**

**Comments:**

If the insured selects the 5 year premise liability tail option, then the professional liability tail will be provide for an unlimited duration at the filed charge. There is no relationship between the premise and professional liability charge.

**Changed Items:**

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

**Conclusion:**

Please let us know if we can be of any further assistance.

Myron Harry  
Sincerely,  
Myron Harry

State:	Illinois	Filing Company:	National Union Fire Insurance Company of Pittsburgh, Pa.
TOI/Sub-TOI:	11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry		
Product Name:	Psychiatrists Professional Liability Insurance Program 015106400288		
Project Name/Number:	Psychiatrists Professional Liability Insurance Program/AIG-13-EO-05		

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	08/12/2013
Submitted Date	08/12/2013

Dear Gayle Neuman,

### Introduction:

In response to your comment letter dated July 30, 2013, we offer the following:

### Response 1

#### Comments:

1. Please be advised that we have revised the Illinois Rules Pages to provide a basic \$10,000 GL limit at no charge and a second \$1,000,000 option at a rate equivalent to 50% of a selected GL class. In addition, please find Illinois premise liability explanation and GL vs Prem Ops rate exhibit which provides detailed background on the suggested approach to respond to the IL DOI concern with separate professional limits.

2. The rules pages are also revised to include a five year free ERP and an unlimited ERP for a 200% fee.

### Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	GL vs PremOps Rates
Comments:	Attached please find GL vs PremOps Rates Exhibit.
Attachment(s):	GL vs PremOps Rate Psychiatrists.pdf
Satisfied - Item:	IL PL Explanation
Comments:	Attached please find Illinois Premise Liability Explanation.
Attachment(s):	IL PL Explanation.pdf

<b>State:</b>	Illinois	<b>Filing Company:</b>	National Union Fire Insurance Company of Pittsburgh, Pa.
<b>TOI/Sub-TOI:</b>	11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry		
<b>Product Name:</b>	Psychiatrists Professional Liability Insurance Program 015106400288		
<b>Project Name/Number:</b>	Psychiatrists Professional Liability Insurance Program/AIG-13-EO-05		

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	GL vs PremOps Rates
<b>Comments:</b>	Attached please find GL vs PremOps Rates Exhibit.
<b>Attachment(s):</b>	GL vs PremOps Rate Psychiatrists.pdf
<b>Satisfied - Item:</b>	IL PL Explanation
<b>Comments:</b>	Attached please find Illinois Premise Liability Explanation.
<b>Attachment(s):</b>	IL PL Explanation.pdf

No Form Schedule items changed.

Rate Schedule Item Changes					
Item No.	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Date Submitted
1	IL Rates Page	Pages 1 - 2	New		08/12/2013 By: Myron Harry
<i>Previous Version</i>					
1	IL Rates Page	Pages 1 - 2	New		06/11/2013 By: Myron Harry
2	IL Rules (8.2013)	Pages 1 - 5	New		08/12/2013 By: Myron Harry
<i>Previous Version</i>					
2	IL Rules (4.2013)	Pages 1 - 5	New		07/29/2013 By: Myron Harry
<i>Previous Version</i>					
2	IL Rules (4.2013)	Pages 1 - 5	New		06/11/2013 By: Myron Harry

**Conclusion:**

<b>State:</b>	Illinois	<b>Filing Company:</b>	National Union Fire Insurance Company of Pittsburgh, Pa.
<b>TOI/Sub-TOI:</b>	11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry		
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Please let us know if we can be of any further assistance.

Myron Harry

Sincerely,

Myron Harry

<b>State:</b>	Illinois	<b>Filing Company:</b>	National Union Fire Insurance Company of Pittsburgh, Pa.
<b>TOI/Sub-TOI:</b>	11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry		
<b>Product Name:</b>	Psychiatrists Professional Liability Insurance Program 015106400288		
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## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	07/29/2013
Submitted Date	07/29/2013

Dear Gayle Neuman,

### Introduction:

In response to your comment letter dated July 25, 2013, we offer the following:

### Response 1

#### Comments:

Attached please find revised Illinois Rules wherein we have noted the Maximum Scheduled Rating Adjustment.

### Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

Rate Schedule Item Changes					
Item No.	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Date Submitted
1	IL Rules (4.2013)	Pages 1 - 5	New		07/29/2013 By: Myron Harry
<i>Previous Version</i>					
1	IL Rules (4.2013)	Pages 1 - 5	New		06/11/2013 By: Myron Harry

### Conclusion:

Please let us know if we can be of any further assistance.

Myron Harry  
Sincerely,  
Myron Harry



<b>State:</b>	Illinois	<b>Filing Company:</b>	National Union Fire Insurance Company of Pittsburgh, Pa.
<b>TOI/Sub-TOI:</b>	11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry		
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## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	07/25/2013
Submitted Date	07/25/2013

Dear Gayle Neuman,

### **Introduction:**

In response to your comment letter dated July 17, 2013, we offer the following:

### **Response 1**

#### **Comments:**

Please be advised that we have added Illinois Extended Reporting Period Amendatory Endorsement, Form No. 115009 (7/13) to our Forms filing, (state tracking no. AGNY-129024472). In addition, we have attached a copy of the endorsement to the supporting documentation tab under this filing.

Please be advised that our Statistical Reporting Agency is ISO.

### **Changed Items:**

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	IIL ERP Amendatory Endorsement
<b>Comments:</b>	Attached please find Illinois ERP Endorsement, Form No. 115009 (07/13).
<b>Attachment(s):</b>	115009 (07-13) IL ERP Amendatory Endorsement.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### **Conclusion:**

Please let us know if we can be of any further assistance.

Myron Harry  
Sincerely,

<b>SERFF Tracking #:</b>	AGNY-129024473	<b>State Tracking #:</b>	AGNY-129024473	<b>Company Tracking #:</b>	AIG-13-EO-05
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<b>State:</b>	Illinois	<b>Filing Company:</b>	National Union Fire Insurance Company of Pittsburgh, Pa.
<b>TOI/Sub-TOI:</b>	11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry		
<b>Product Name:</b>	Psychiatrists Professional Liability Insurance Program 015106400288		
<b>Project Name/Number:</b>	Psychiatrists Professional Liability Insurance Program/AIG-13-EO-05		

Myron Harry

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<b>State:</b>	Illinois	<b>Filing Company:</b>	National Union Fire Insurance Company of Pittsburgh, Pa.
<b>TOI/Sub-TOI:</b>	11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry		
<b>Product Name:</b>	Psychiatrists Professional Liability Insurance Program 015106400288		
<b>Project Name/Number:</b>	Psychiatrists Professional Liability Insurance Program/AIG-13-EO-05		

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## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	07/17/2013
Submitted Date	07/17/2013

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Dear Gayle Neuman,

**Introduction:**

In response to your comment letter dated June 25, 2013, we offer the following:

**Response 1**

**Comments:**

Please be advised that this is a new product, developed independently of the current product.

**Changed Items:**

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

**Conclusion:**

Please let us know if we can be of any further assistance.

Myron Harry  
Sincerely,  
Myron Harry

<b>State:</b>	Illinois	<b>Filing Company:</b>	National Union Fire Insurance Company of Pittsburgh, Pa.
<b>TOI/Sub-TOI:</b>	11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry		
<b>Product Name:</b>	Psychiatrists Professional Liability Insurance Program 015106400288		
<b>Project Name/Number:</b>	Psychiatrists Professional Liability Insurance Program/AIG-13-EO-05		

## Note To Reviewer

**Created By:**

Myron Harry on 08/28/2013 10:30 AM

**Last Edited By:**

Gayle Neuman

## Submitted On:

08/28/2013 10:57 AM

**Subject:**

Psychiatrists Professional Liability Insurance Program - AIG-13-EO-05

**Comments:**

Ms. Neuman,

We would like this filing to be effective as of today, August 28, 2013. Thank you.

Myron Harry

<b>State:</b>	Illinois	<b>Filing Company:</b>	National Union Fire Insurance Company of Pittsburgh, Pa.
<b>TOI/Sub-TOI:</b>	11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry		
<b>Product Name:</b>	Psychiatrists Professional Liability Insurance Program 015106400288		
<b>Project Name/Number:</b>	Psychiatrists Professional Liability Insurance Program/AIG-13-EO-05		

## Note To Filer

**Created By:**

Gayle Neuman on 08/28/2013 09:38 AM

**Last Edited By:**

Gayle Neuman

## Submitted On:

08/28/2013 10:57 AM

**Subject:**

effective date

**Comments:**

The Department of Insurance has now completed its review of this filing. Originally, you requested the filing be effective "on approval". What effective date do you wish to use? Your prompt response is appreciated.

<b>State:</b>	Illinois	<b>Filing Company:</b>	National Union Fire Insurance Company of Pittsburgh, Pa.
<b>TOI/Sub-TOI:</b>	11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry		
<b>Product Name:</b>	Psychiatrists Professional Liability Insurance Program 015106400288		
<b>Project Name/Number:</b>	Psychiatrists Professional Liability Insurance Program/AIG-13-EO-05		

## Note To Filer

**Created By:**

Gayle Neuman on 08/22/2013 01:23 PM

**Last Edited By:**

Gayle Neuman

## Submitted On:

08/28/2013 10:57 AM

**Subject:**

extension

**Comments:**

I will extend the due date to August 30, 2013.

<b>State:</b>	Illinois	<b>Filing Company:</b>	National Union Fire Insurance Company of Pittsburgh, Pa.
<b>TOI/Sub-TOI:</b>	11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry		
<b>Product Name:</b>	Psychiatrists Professional Liability Insurance Program 015106400288		
<b>Project Name/Number:</b>	Psychiatrists Professional Liability Insurance Program/AIG-13-EO-05		

## Note To Reviewer

**Created By:**

Myron Harry on 08/21/2013 04:09 PM

**Last Edited By:**

Gayle Neuman

## Submitted On:

08/28/2013 10:57 AM

**Subject:**

Psychiatrists Professional Liability Insurance Program - AIG-13-EO-05

**Comments:**

Ms. Neuman,

We would like to request an extension to August 30, 2013 to adequately prepare our response to your comment letter dated August 14, 2013. Thank You.

Myron Harry

<b>State:</b>	Illinois	<b>Filing Company:</b>	National Union Fire Insurance Company of Pittsburgh, Pa.
<b>TOI/Sub-TOI:</b>	11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry		
<b>Product Name:</b>	Psychiatrists Professional Liability Insurance Program 015106400288		
<b>Project Name/Number:</b>	Psychiatrists Professional Liability Insurance Program/AIG-13-EO-05		

## Note To Filer

**Created By:**

Gayle Neuman on 08/07/2013 07:52 AM

**Last Edited By:**

Gayle Neuman

## Submitted On:

08/28/2013 10:57 AM

**Subject:**

extension

**Comments:**

I will extend the due date to August 20, 2013.



<b>State:</b>	Illinois	<b>Filing Company:</b>	National Union Fire Insurance Company of Pittsburgh, Pa.
<b>TOI/Sub-TOI:</b>	11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry		
<b>Product Name:</b>	Psychiatrists Professional Liability Insurance Program 015106400288		
<b>Project Name/Number:</b>	Psychiatrists Professional Liability Insurance Program/AIG-13-EO-05		

## Note To Reviewer

**Created By:**

Myron Harry on 08/06/2013 04:18 PM

**Last Edited By:**

Gayle Neuman

## Submitted On:

08/28/2013 10:57 AM

**Subject:**

Psychiatrists Professional Liability Insurance Program - AIG-13-EO-05

**Comments:**

Ms. Neuman,

We would like to request an extension to August 20, 2013 to adequately prepare our response to your comment letter dated July 31, 2013. Thank you.

Myron Harry

<b>State:</b>	Illinois	<b>Filing Company:</b>	National Union Fire Insurance Company of Pittsburgh, Pa.
<b>TOI/Sub-TOI:</b>	11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry		
<b>Product Name:</b>	Psychiatrists Professional Liability Insurance Program 015106400288		
<b>Project Name/Number:</b>	Psychiatrists Professional Liability Insurance Program/AIG-13-EO-05		

## Note To Reviewer

**Created By:**

Myron Harry on 07/16/2013 02:47 PM

**Last Edited By:**

Gayle Neuman

## Submitted On:

08/28/2013 10:57 AM

**Subject:**

Psychiatrists Professional Liability Program - AIG-13-EO-05

**Comments:**

Ms. Newman,

We would like to request an additional extension to July 24, 2013, to adequately prepare our response to your comment letter dated June 25, 2013. Thank you.

Myron Harry

<b>State:</b>	Illinois	<b>Filing Company:</b>	National Union Fire Insurance Company of Pittsburgh, Pa.
<b>TOI/Sub-TOI:</b>	11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry		
<b>Product Name:</b>	Psychiatrists Professional Liability Insurance Program 015106400288		
<b>Project Name/Number:</b>	Psychiatrists Professional Liability Insurance Program/AIG-13-EO-05		

## Note To Filer

**Created By:**

Gayle Neuman on 07/03/2013 08:33 AM

**Last Edited By:**

Gayle Neuman

## Submitted On:

08/28/2013 10:57 AM

**Subject:**

extension

**Comments:**

I will extend the due date to July 16, 2013.

<b>State:</b>	Illinois	<b>Filing Company:</b>	National Union Fire Insurance Company of Pittsburgh, Pa.
<b>TOI/Sub-TOI:</b>	11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry		
<b>Product Name:</b>	Psychiatrists Professional Liability Insurance Program 015106400288		
<b>Project Name/Number:</b>	Psychiatrists Professional Liability Insurance Program/AIG-13-EO-05		

## Note To Reviewer

**Created By:**

Myron Harry on 07/02/2013 04:43 PM

**Last Edited By:**

Gayle Neuman

## Submitted On:

08/28/2013 10:57 AM

**Subject:**

Psychiatrists PL Insurance Program - AIG-13-EO-05

**Comments:**

Ms. Neuman,

We would like to request an extension to July 16, 2013 to adequately prepare our response to your comment letter dated June 25, 2013. Thank you.

Myron Harry

<b>State:</b>	Illinois	<b>Filing Company:</b>	National Union Fire Insurance Company of Pittsburgh, Pa.
<b>TOI/Sub-TOI:</b>	11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry		
<b>Product Name:</b>	Psychiatrists Professional Liability Insurance Program 015106400288		
<b>Project Name/Number:</b>	Psychiatrists Professional Liability Insurance Program/AIG-13-EO-05		

## Rate/Rule Schedule

Item No.	Schedule Item Status	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Attachments
1		IL Rates Page	Pages 1 - 2	New		IL Rate Page - 8-13.pdf
2		IL Rules (8.2013)	Pages 1 - 5	New		IL Rules (8-13) (2).pdf

**NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA  
PSYCHIATRISTS PROFESSIONAL LIABILITY PROGRAM  
RATE PAGE**

**ILLINOIS**

**I. Base rate for \$1,000,000/\$3,000,000 Claims Made Coverage:**

Territory 1 - Cook, Dupage, Kane, Lake, Madison, McHenry, St. Clair, Will Counties	\$17,893
Territory 2 - Champaign, Jackson, Macon, Sangamon, Vermillion Counties	\$12,525
Territory 3 - Rest of State	\$8,946

**II. Increased Limit Factors:**

\$100,000/\$300,000	0.670
\$200,000/\$600,000	0.750
\$250,000/\$750,000	0.770
\$300,000/\$900,000	0.800
\$400,000/\$1,200,000	0.850
\$500,000/\$1,500,000	0.950
\$1,000,000/\$1,000,000	0.970
\$1,000,000/\$3,000,000	1.000
\$2,000,000/\$4,000,000	1.250
\$2,000,000/\$6,000,000	1.280

**III. Claims-Made Conversion Factors (% of occurrence premium):**

**Number of years Claims-Made Coverage:**

First Year	0.350
Second Year	0.650
Third Year	0.850
Fourth Year	0.950
Fifth Year and Thereafter	1.000
Occurrence	1.110

**IV. Deductibles**

Deductible Amount	Credit Factor
\$5,000	2.5%
\$10,000	4.5%
\$25,000	9.0%

**V. Extended Reporting Period**

Professional Liability	
# Years of Extended Reporting	Charge
Unlimited	200%
Premises Liability	
# Years of Extended Reporting	Charge
5 years	Free
Unlimited	200%

**NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA  
PSYCHIATRISTS PROFESSIONAL LIABILITY PROGRAM  
ILLINOIS**

**Ancillary Defense Coverage's**

**I. CORPORATE IDENTITY PROTECTION COVERAGE**

**Increased Limit Option 1:**

CIP Coverage Sublimit	\$100,000	
a. Personal Identity Liability Sublimit	\$100,000	for all personal identity events
b. Administrative Action Sublimit	\$100,000	for all administrative expenses for all notification costs, crisis expenses and post event services
c. Identity Event Services Sublimit	\$100,000	
CIP Retention	\$500	each personal identity event
CIP Additional Premium	\$600	

**Increased Limit Option 2:**

CIP Coverage Sublimit	\$250,000	
a. Personal Identity Liability Sublimit	\$250,000	for all personal identity events
b. Administrative Action Sublimit	\$250,000	for all administrative expenses for all notification costs, crisis expenses and post event services
c. Identity Event Services Sublimit	\$250,000	
CIP Retention	\$500	each personal identity event
CIP Additional Premium	\$822	

**II. ADMINISTRATIVE HEARING DEFENSE COVERAGE**

**Increased Limit Option 1:**

Administrative Hearing Defense Sublimit	\$50,000
Additional Premium:	\$300

**Increased Limit Option 2:**

Administrative Hearing Defense Sublimit	\$100,000
Additional Premium:	\$800

**Increased Limit Option 3:**

Administrative Hearing Defense Sublimit	\$250,000
Additional Premium:	\$1,096

**Increased Limit Option 4:**

Administrative Hearing Defense Sublimit	\$500,000
Additional Premium:	\$1,100

**III. BILLING E&O CLAIM EXPENSE COVERAGE**

**Increased Limit Option 1:**

Billing E&O Claim Expense Sublimit	\$50,000
Additional Premium:	\$160

**Increased Limit Option 2:**

Billing E&O Claim Expense Sublimit	\$100,000
Additional Premium:	\$127

**IV. HIPAA DEFENSE COVERAGE**

**Increased Limit Option 1:**

HIPAA Defense Coverage	\$100,000
Additional Premium:	\$153

**V. MEDICAL DIRECTOR COVERAGE**

Add Medical Director Coverage to a Named Insured's Professional Services	\$595
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**VI. PREMISES LIABILITY LIMITS**

**Increased Limit Option 1:**

Each Occurrence/Aggregate Limit	\$1,000,000/\$1,000,000
Additional Premium:	\$176

**NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA**  
**PSYCHIATRIST PROFESSIONAL LIABILITY**  
**ILLINOIS**

**ELIGIBILITY RULE:** All Psychiatrists eligible for coverage under this program will have an MD or DO with training in their field of psychiatry, and a license in the state they practice.

1. **Coverage:** Coverage's are written on an Occurrence or Claims Made basis. For details of coverage please refer to the policy form.

2. **Rates:** All rates are based on a one (1) year policy period unless otherwise noted. For a policy term other than annual all rates will be pro-rata. Calculate rate using the rates in effect on the policy date and by the territorial base rate definitions of this state.

3. **Additional Premium (AP) and Return Premium (RP):**

The additional premium charges will be calculated as follows:

- a) Pro-rate all changes requiring additional premium.
- b) Apply the rates and rules in effect on the effective date of the change.
- c) Waive additional premium of \$20.00 or less. The waiver only applies to cash exchange due on an endorsement effective date.

The return premium charges will be calculated as follows:

- a) Deletion of a mandatory coverage is not permitted unless the entire policy is canceled.
- b) Compute return premium at the rate used to calculate the policy premium.
- c) Compute return premium pro rata when any coverage or exposure is deleted or an amount of insurance is reduced.
- d) Waive return premium of \$20.00 or less. Grant any return premium if requested by the Insured. This waiver only applies to cash exchanges due on the endorsement effective date.

4. **Limits of Liability:**

Manual rates provide a basic professional liability limit of \$1,000,000 each occurrence, and \$3,000,000 aggregate, a premise liability limit of \$10,000 each occurrence, and \$10,000 aggregate as well as the following:

- \$25,000 for Administrative Hearing coverage
- \$25,000 for Billing E&O Claims Expense coverage
- \$50,000 for Corporate Identity Protection coverage
- \$50,000 for HIPPA Defense only coverage

5. **Rating Procedure:**

**Individual:** The Named Insured individual Psychiatrist listed on the Declarations Page receives a basic rate which is derived from the location of the practice. Individual coverage (separate limit) for other behavioral health professionals will be rated as a percentage of the applicable Psychiatrist premium. Based on the following:

<u>Professional Type</u>	<u>Relativity to Psychiatrist Rate</u>
Psychologists.....	0.25
Social Workers .....	0.03
Therapists .....	0.03
Nurses.....	0.05
Nurse Practitioners/Physician Assistant .....	0.25

When any professional (including Psychiatrist) is added to an individual's policy with shared limits, there will be a 15% reduction in the calculated premium based on the above table or individual Psychiatrist base rate.

**Corporation/Group Account:**

A corporation/group account may be listed as the Named Insured on the Declarations Page. Premium calculation is as follows:

When we insure all professional employees of an entity:



Add individually derived premiums for each scheduled named insured. The base rate for each individual will be reduced by the following factors when the insured is sharing the limit with the entity:

Number of Insured's	Reduction Factor
< 5	5%
5 or more	10%

When we do not insure all professional employees of an entity, including physicians and ancillary professionals, there will be a charge to account for the vicarious liability based on the number of uninsured employees as follows:

Number of employees	Vicarious Liability Surcharge
<5	2%
5-19	5%
>20	10%

If the Professional Employee Exclusion is added, this charge is waived.

**Additional Insured:** An additional insured may be added with shared limits to a corporation or group policy or an individual Psychiatrist's policy for a 5% charge of the developed premium. Coverage is only provided with respect to the actions of the named insured.

Additional Named Insured's that are corporations or entities may be added as follows:

- Where we insure all of the professional employees, the additional Named Insured is added to a policy with shared limits for no additional charge;
- Where we insure all of the professional employees, the additional Named Insured is added with separate limits for a 10% surcharge; this will be capped at 10% of the top 5 highest priced individuals.
- Where we do not insure all of the professional employees, the additional Named Insured may be added with shared limits using the vicarious liability surcharge listed above;
- Where we do not insure all of the professional employees, the additional Named Insured may be added with separate limits for a 10% surcharge (capped as derived from the 5 highest priced individuals) plus the vicarious liability surcharge.

If the Professional Employee Exclusion is added, the vicariously liability charge is waived.

**6. Deductibles:** A Deductible will be offered at the insured's request for the amount listed on the corresponding state's rate page. This deductible will apply to indemnity only.

## **7. Rating Modifications:**

### **Discounts:**

- Part-time - Each individual will be charged 50% of the full-time premium rate for practicing 20 hours or less per week, or fewer than 26 weeks per year.
- Prep Discount – This is available to those Psychiatrists entering private practice for the first time who purchase a policy within 3 years upon completing an internship program, fellowship program, residency program or military service. The applicable prep discount is based on the number of years since the psychiatrist completed the program or service as follows:

Number of Years	Discount
<1	50%
1 < 1.99	35%
2 < 2.99	25%
≥ 3	None

- Member in Training (MIT Discount) – 50% discount is available to those insured's classified as a

MIT by the American Psychiatric Association.

Only one of the above discounts may apply to an insured per policy year.

- Risk Management Credit 5-10%
  - a. Participated in Risk Management focused continuing education program. (5%)
  - b. Participated in Risk Management seminar in the last 12 months, in addition to continuing education requirement. (10%)
- Child and Adolescent Psychiatry - a 15% discount is available for Psychiatrists whose patient base is less than 50% adult psychiatry.
- New Business – A 10% credit will be applied for each insured applying to the CIS Company/Program for the first time, provided they have been claims free for the past 12 months.

**Schedule Rating:** To recognize the individual and unique characteristics within each account, it shall be permissible to apply a Schedule Rating debit and/or credit. *The following scheduled modifiers will be considered on the listed criteria and the range will be as indicated below.*

- Practice Setting (+/- 25%)
  - a) Detention Facilities
  - b) Patient Recruitment
  - c) Facility has been subject to license or accreditation disciplinary action or federal investigation or prosecution, mass tort litigation or investigative reporting
  - d) Clinical teaching activities exceed 50% of total practice time.
- Nature and Scope of Practice (+/- 25%)
  - a) Treatment of borderline personalities and multiple personality disorders
  - b) Treatment of Pain Management
  - c) Use of abreaction, rage; sodium amytal, sex and recovered memory therapies.
  - d) Supervision of /Consultation with professionals in 1,2 and 3 above
  - e) Above or below average daily patients volume
  - f) Adverse Risk not considered in base rate
- General Factors (-10%/+25%)
  - a) Hospital Staff Privileges
  - b) Managed Care Network Privileges
  - c) Medical Record Keeping and Billing

*The maximum scheduled rating adjustment will be +/-25%*

**Experience Rating:** Based upon the insured's claim experience and history over the preceding ten (10) year period, an Experience Rating debit or credit may be applied. The maximum credit shall not exceed 10% and debit shall not exceed 50%. *The following debits/credits will be considered on the claims history criteria of the insured and the range will be as indicated below.*

- Claims Free Credit

a) 1 year loss free	1%
b) 2 years loss free	2%
c) 3 years loss free	3%
d) 4 years loss free	4%
e) 5 years loss free	5%
f) 6 years loss free	6%
g) 7 years loss free	7%
h) 8 years loss free	8%
i) 9 years loss free	9%
j) 10 years loss free	10%
- Loss Experience is determined based on the chargeable loss amount and frequency within the last 5

years. The chargeable loss includes loss payments, outstanding reserves, and loss adjustment expenses. One (1) loss is considered to be a reported claim that incurs at least \$250 of chargeable loss.

Chargeable loss	Applied Debit			
	1 loss	2 losses	3 losses	4 losses
\$250 - \$3,000	0%	10%	15%	30%
\$3,001 - \$10,000	10%	15%	20%	35%
\$10,001 - \$25,000	15%	20%	25%	40%
\$25,001 - \$50,000	20%	25%	30%	50%
\$50,001 - \$100,000	25%	30%	40%	50%
\$100,001 +	30%	40%	50%	50%

*The maximum combined Rating Modification will be -75% (if 1-3 of discounts applies) otherwise the maximum will be -50% and +50%.*

- 8. Administrative Hearing:** Additional limits for Administrative Hearing Coverage are available as provided within the Rating Plan.
- 9. Corporate Identity Protection:** Additional limits for Corporate Identity Protection are available as provided within the Rating Plan.
- 10. Billing E&O Claims Expense Coverage:** Additional limits for Billing E&O Claims Expense Coverage are available as provided within the Rating Plan.
- 11. HIPAA Defense Only Coverage:** Additional limits for HIPAA Defense Only Coverage are available as provided within the rating Plan.
- 12. Cancellation:**  
The policy will be cancelled as the pro-rata unearned premium for the following instances:
  - a) A policy is cancelled by the company;
  - b) The insured company no longer has an insurable or financial interest;
  - c) A policy is cancelled and rewritten.
 The policy will be cancelled as 90% of the pro-rata unearned premium when:
  - a) The cancellation is the result of any other circumstance.
- 13. Extended Reporting Period (ERP):** Coverage for the ERP will be granted upon request, pursuant to the applicable policy conditions regarding the Extended Reporting Period. The rate will be calculated by applying the corresponding factor on the individual's state rate page to the most recently expiring annual premium rate. The available limits of liability shall not exceed those afforded under the current policy.  
  
The Extended Reporting Period will be provided at no cost if:
  - a) The insured has maintained a continuous 10 year relationship with no claims reported during that period.
  - b) The insured retires permanently at 55, and has been insured with the company for at least 5 consecutive years.
  - c) The insured dies, or is permanently disabled while the policy is in force.
  - d) The insured selects the 5 year Premise Liability tail option

\*The unlimited Premise Liability Tail option shall reinstate the Premise Liability aggregate limits upon purchase.
- 14. Locum Tenens:** A Locum Tenens endorsement may be provided for Psychiatrists who temporarily replace an insured Psychiatrist for a period up to 60 days each policy year. The Locum Tenens will share in the insured's limit of liability. As a result, there will be no additional premium charge.
- 15. Disability or Leave of Absence (LOA):** An insured may request a period of restricted coverage due to a disability or a prolonged leave of absence. The insured will not be covered for claims or suits which arise based on an occurrence within the scheduled period of disability or leave of absence. The insured is entitled to report claims during this period, only if they arise from occurrences when the policy was in force.

If the period is between 45-90 days, a premium rate of 50% will apply. If the period is between 91 days – 1 year, a premium rate of 25% will apply.

If the Named Insured does not return to practice after the period of disability or leave of absence, the Company will date the cancellation and calculate the premium for the Extended Reporting Period Endorsement effective from the beginning of the period of suspension.

- 16. Installment Payments:** We will offer the option for insured's to pay by installments. The initial down payment will be 30% of premium with additional payments due every 60 days subsequent the effective date. The additional payments can be made in 3 or 4 equal installments, depending on the preference of the insured. A service charge of \$5 will be included with each subsequent payment.
- 17. Rounding:** Premium will be rounded to the nearest whole dollar. A premium ending in \$.50 or more will be rounded to the next higher whole dollar. Thus, \$1,000.50 = 1,001.00; \$1,000.49 = \$1,000.00.
- 18. Exclusion of Patient:** We will offer the option for insureds to exclude coverage for claims arising out of allegations from a particular patient or patients. Upon request we will apply endorsement 111867, Exclusion of Scheduled Patient Endorsement.
- 19. Exclusion of Person or Organization:** We will offer the option for insureds to exclude coverage for claims arising out of services provided by particular persons or organizations. This will be mandatory to waive the vicarious liability surcharge; all individuals will be listed. Upon request we will apply endorsement 111868, Exclusion of Scheduled Person or Organization Endorsement.
- 20. Policy Change:** The policy change endorsements will only be used to correct errors on the Declarations Page as well as requested coverage changes upon written notification of the insured. The endorsements will not be used to amend policy language. We will apply Policy Change Endorsement 111871 or 111872 accordingly.
- 21. Medical Director:** We will offer the option to extend coverage that includes the services of a Medical Director to a Named Insured, for a charge. This charge will apply to the undeveloped base rate, and the Medical Director Endorsement 113563 will be used to extend coverage as requested.
- 22. Prior Acts Coverage:** The following rating is used when an insured converts their claims-made policy to an occurrence policy and does not purchase the extended reporting endorsement from the prior carrier. The Prior Acts Endorsement will be effective the inception date of insured's occurrence policy and will cover claims reported after the termination date of the prior claims-made policy for incidents that occurred between the retroactive date and termination date of the prior claims-made policy.

The following conditions apply:

- a) There can be no coverage of known claims
- b) Prior Acts coverage is to be provided only to an insured switching from a claims-made policy and is not available to an insured with an uninsured prior acts exposure; and
- c) Prior Acts coverage, once purchased, must survive termination of the occurrence policy; i.e. any act is treated as if it took place while the occurrence policy was in place.

<b>State:</b>	Illinois	<b>Filing Company:</b>	National Union Fire Insurance Company of Pittsburgh, Pa.
<b>TOI/Sub-TOI:</b>	11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry		
<b>Product Name:</b>	Psychiatrists Professional Liability Insurance Program 015106400288		
<b>Project Name/Number:</b>	Psychiatrists Professional Liability Insurance Program/AIG-13-EO-05		

## Supporting Document Schedules

<b>Bypassed - Item:</b>	Form RF3 - (Summary Sheet)
<b>Bypass Reason:</b>	N/A - New Program
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Certification
<b>Comments:</b>	Attached please find an Illinois Certification.
<b>Attachment(s):</b>	IL MedMal Certification.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Request to Maintain Data as Trade Secret Information
<b>Bypass Reason:</b>	N/A
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Manual
<b>Bypass Reason:</b>	N/A
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Filing Memorandum
<b>Comments:</b>	Attached please find a Filing Memorandum.
<b>Attachment(s):</b>	Filing Memorandum - Psychiatrists (4) (2).pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>State:</b>	Illinois	<b>Filing Company:</b>	National Union Fire Insurance Company of Pittsburgh, Pa.
<b>TOI/Sub-TOI:</b>	11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry		
<b>Product Name:</b>	Psychiatrists Professional Liability Insurance Program 015106400288		
<b>Project Name/Number:</b>	Psychiatrists Professional Liability Insurance Program/AIG-13-EO-05		

<b>Satisfied - Item:</b>	IIL ERP Amendatory Endorsement
<b>Comments:</b>	Attached please find Illinois ERP Endorsement, Form No. 115009 (07/13).
<b>Attachment(s):</b>	115009 (07-13) IL ERP Amendatory Endorsement.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	GL vs PremOps Rates
<b>Comments:</b>	Attached please find GL vs PremOps Rates Exhibit.
<b>Attachment(s):</b>	GL vs PremOps Rate Psychiatrists.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	IL PL Explanation
<b>Comments:</b>	Attached please find Illinois Premise Liability Explanation.
<b>Attachment(s):</b>	IL PL Explanation.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

**ILLINOIS CERTIFICATION FOR  
MEDICAL MALPRACTICE RATES**

**(215 ILCS 5/155.18)(3) states that medical liability rates shall be certified in such filing by an officer of the company and a qualified actuary that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience.**

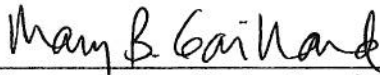
I, Adam C. Reed, a duly authorized officer National Union Fire Insurance Company of Pittsburgh, Pa. am authorized to certify on behalf of the Company making this filing that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience, and that I am knowledgeable of the laws, regulations and bulletins applicable to the policy rates that are the subject of this filing.

I, Mary Gaillard, a duly authorized actuary of National Union Fire Insurance Company of Pittsburgh, Pa., am authorized to certify on behalf of the Company making this filing that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience, and that I am knowledgeable of the laws, regulations and bulletins applicable to the policy rates that are the subject of this filing.



\_\_\_\_\_  
Signature and Title of Authorized Insurance Company Officer

5-8-13  
Date



\_\_\_\_\_  
Signature, Title and Designation of Authorized Actuary

5/8/13  
Date

Insurance Company FEIN: 25 - 0687550 Filing Number:

Insurer's Address : 175 Water Street

City : New York State: New York Zip Code: 10038

Contact Person's: MYRON HARRY  
-Name and E-mail myronharry@aig.com

-Direct Telephone and Fax Number: Telephone: 718 250 1771

Fax: \_\_\_\_\_

**NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.**

(a capital stock insurance company)  
Administrative Offices: 175 Water Street  
New York, NY 10038

**PSYCHIATRISTS PROFESSIONAL LIABILITY INSURANCE PROGRAM**

**Filing Memorandum**

National Union Fire Insurance Company of Pittsburgh, PA. (the "Company") is a nationwide leading insurance provider of professional liability insurance coverage for the distinct needs of Psychiatrists. The Company has consistently provided a dynamic product to over 6,500 Psychiatrists through a program administrator relationship with Professional Risk Management Services, Inc. (PRMS) since 2002. The Company has written this program under the Psychiatrists' Purchasing Group, Inc. formerly American Psychiatric Association Purchasing Group, Inc.

Please be advised the Company has terminated its relationship with PRMS effective as of December 31, 2012. The Company has been dedicated to this class of business for many years and values its strong relationship with the psychiatrist market segment. Therefore, the Company intends to continue providing insurance products and claims services to Psychiatrists. The Company is associating with Contemporary Insurance Services, Inc. for the purpose of providing a new product to the psychiatrist market segment.

To avoid disruption in the marketplace the Company seeks approval to maintain the existing Psychiatrists' Purchasing Group, Inc. filing in place through 12/31/2013 to enable the Company to continue to service existing insureds. The Company Filing Number is AIC-00-MM-03. Until 12/31/2013, our former agent, PRMS will manage the needs of existing Company Psychiatrist insureds through their Psychiatrists' Purchasing Group, Inc. PRMS will not be placing any new members in the RPG on behalf of the Company. With your approval, the Company rates, rules and forms approved under the Psychiatrists' Purchasing Group, Inc. should remain in place through 12/31/2013. Nothing is being withdrawn at this time.

The Company seeks to begin its new program as soon as possible. The Company is introducing the Psychiatrist Professional Liability Program to be filed independent of any RPG. The forms have recently been developed specifically for Psychiatrists. This filing offers entirely new forms, endorsements and applications that include enhancements independent of the RPG product. The proposed rates are supported with the statistical data from the approved rate plan of Darwin National Assurance Company's Psychiatrist Professional and General Business Liability Insurance program. The Company Tracking Number is 2010-7010-F/R. The specific detail for the proposed rates is located in the attached Actuarial Support. The Company will begin to collect its own experience and adjust the rates as necessary in the future to assure that the rates are not excessive, inadequate or unfairly discriminatory.

This Professional Liability product is designed to be offered on either an Occurrence or Claims Made basis. Some highlights of the new product include: ● Loss of Earnings for Defense Assist per day \$1,000/10,000 aggregate per policy period ● HIPAA Defense Only Coverage \$50,000



## **PSYCHIATRISTS PROFESSIONAL LIABILITY INSURANCE PROGRAM**

aggregate per policy period • Administrative Hearings Defense Costs Coverage \$25,000 aggregate per policy period • Assault Upon You Personal Expense Reimbursement \$25,000 aggregate per policy period • Billing E&O Claims Expense Coverage \$25,000 aggregate per policy period • Corporate Identity Protection Coverage \$50,000 aggregate per policy period with an option for higher limits. The filing # for CIP was CHS-11-EO-08. The Company offers an option to insureds to purchase additional coverage for HIPAA Defense Only Coverage, Administrative Hearings Defense Costs, Corporate Identity Protection Coverage and Billing E&O Claims Expense Coverage. The policy is written with defense costs in addition to the Limits of Liability and the Company will not settle any claim or suit without the named insured's consent.

### Rating Narrative

The Company wishes to adopt a modified version of the Rating Rules approved under the rate filing of Darwin National Assurance Company's Psychiatrist Professional and General Business Liability Insurance program. The Company Tracking Number is 2010-7010-F/R. The deviations from the Darwin National Assurance Company's Psychiatrist Professional and General Business Liability Insurance program include the following:

- Section 4 – The Company has added ancillary defense coverages available to insureds at no additional charge. The additional limits will be available on the Company's rate page.
- Section 5 (Individual) – When an insured requests to share in limits, and there is no entity or corporation exposure, the Company will elect to provide a 15% reduction in the individual base premium calculated. This recognizes the difference in exposure between providing separate limits and sharing limits.
- Section 5 (Corporation/Group Account) – When there is entity exposure and the Company insures all of the professional employees, if they choose to share in the limit with that entity there will be a reduction in premium.
- Section 5 (Corporation/Group Account) – The Company recognizes the potential exposure presented by an entity that employs professionals not insured with the Company. If the insured elects to provide excess/vicarious liability coverage for those insureds, the Company has developed a surcharge. The Company will charge for the actual uninsured that is not insured by the Company. This charge will be waived if the insured selects to schedule the uninsured professionals on the Company's exclusion of scheduled person or organization endorsement.
- Section 5 (Additional Insured) – A separate limit charge of 10% for an entity is added, and is capped as a percentage of the highest 5 priced individuals.
- Section 7 (Discounts) – The Company has increased the Risk Management credit available to Insured's to represent the difference between a mandatory continuing education program (focused on Risk Management) as compared to a Risk Management course voluntarily elected on top of an continuing education course.
- Section 7 (Schedule Rating) – The range of credits and debits have been modified to reflect the potential of both positive and negative characteristics effecting the liability exposure. Additional criteria that result in declination and non-renewal have been removed as they will be recognized in the Company's underwriting guidelines. Medical Record Keeping and Billing have been added under general factors for schedule rating. This is necessary to reflect the Company's exposure under additional Ancillary defense coverage's such as HIPPA Defense, Billing E&O, and Corporate Identity Protection.
- Section 7 (Experience Rating) – The claim debits/credits were added as an experience rating to be more explicit in adding debits/credits associated with frequency of claims.

### **PSYCHIATRISTS PROFESSIONAL LIABILITY INSURANCE PROGRAM**

- Section 13 – The ERP options have been increased.
- Section 15 – The suspension of coverage has been modified to be called Disability or Leave of Absence. The charge and periods have been amended to better accommodate the needs of an insured. For a shorter period (45-90 days), the 50% charge was maintained. However, for the longer period (91 – 365 days) a 25% charge will apply.
- Section 16 – Installment payments have been slightly modified to fit the Company's standards and supported methods.
- In addition, rules for the following endorsements were created by the Company to accommodate the product the Company developed: Exclusion of Patient, Exclusion of Person or Organization, Policy Change, Medical Director, Prior Acts Coverage.

The Company greatly appreciates approval of this filing as soon as possible to minimize any disruption in services to the psychiatrist professional liability market segment.

**ENDORSEMENT NO.**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**This endorsement, effective 12:01AM:**

**forms a part of**

**Policy no.:**

**Issued to:**

**By:**

**ILLINOIS EXTENDED REPORTING PERIOD AMENDATORY ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**PSYCHIATRISTS PROFESSIONAL LIABILITY INSURANCE POLICY - CLAIMS MADE**

- I. Paragraph T. Automatic Extended Reporting Period of Section VII. CONDITIONS is deleted in its entirety and replaced with the following:

T. Automatic Extended Reporting Period

1. If **you** or **we** cancel or non renew this policy for any reason, then **we** will provide an Automatic Extended Reporting Period of sixty (60) days, starting with the end of the **policy period**, during which **claims** arising out of **psychiatric service incidents**, or **occurrences** which take place on or after the retroactive date stated in the Declarations but before the end of the **policy period** may be first made. This Automatic Extended Reporting Period also applies to the coverages in Paragraphs C. through E. of Section IV. DEFENSE COSTS AND OTHER EXPENSES as expressed therein.
2. The Automatic Extended Reporting Period does not extend the **policy period** or change the scope of coverage provided. Any **claim** first made during the Automatic Extended Reporting Period shall be deemed to have been made on the last day of the **policy period**.
3. The Automatic Extended Reporting Period, however, will not apply to **claims** if other insurance purchased by **you** covers them or would have covered them had the limits of liability of such policy not been exhausted.
4. The Aggregate Limits of Liability applicable to this policy shall not be increased or reinstated for the Automatic Extended Reporting Period.
5. **Our** offer of terms, conditions or premium different from the expiring policy shall not be considered a refusal or failure to renew this insurance.

II. Paragraph U. Optional Extended Reporting Period of Section VII. CONDITIONS is deleted in its entirety and replaced with the following:

U. Optional Extended Reporting Period

1. If **you** or **we** cancel or do not renew this insurance for any reason, **you** shall have the option to purchase an Optional Extended Reporting Period Endorsement, beginning with the end of the **policy period**, for the following terms and limits:

- a. 1, 2, 3, or unlimited years for **psychiatric service incidents**; and
- b. 5 years at no charge for **occurrences**;

Under options **a.** and **b.**, above, the Aggregate Limits of Liability applicable to this policy shall not be increased or reinstated for **claims** under this Endorsement. Such **claims** first made during the Optional Extended Reporting Period Endorsement shall be deemed to have been made on the last day of the **policy period**;

and

- c. Unlimited years for **occurrences** with the Aggregate Limits of Liability applicable to this policy reinstated (100% of Aggregate expiring Limits of Liability for the duration) and premium is capped to 200% of the annual premium of expiring policy

The additional premium, if applicable, and the term of the Optional Extended Reporting Period Endorsement shall be as stated in Item 3.(b) of the Declarations.

2. The Optional Extended Reporting Period Endorsement applies to **claims** first made against an **Insured** during the Optional Extended Reporting Period and arising from **psychiatric service incidents**, or **occurrences** which take place on or after the retroactive date stated in the Declarations and before the end of the **policy period**. The Optional Extended Reporting Period Endorsement also applies to the coverages in Paragraphs C. through E. of Section IV. DEFENSE COSTS AND OTHER EXPENSES as expressed therein.
3. To obtain an Optional Extended Reporting Period Endorsement **you** must request it in writing within sixty (60) days after the **policy period** ends and pay the premium due, if applicable, including any outstanding premium due. If **you** do so, the premium shall be fully earned and the Optional Extended Reporting Period Endorsement can not be canceled. If **we** do not receive the written request and payment within sixty (60) days after the **policy period** ends, **you** may not exercise this option at a later date.
4. The insurance provided under the Optional Extended Reporting Period Endorsement is excess over any other valid and collectible insurance that begins or continues in effect after the Optional Extended Reporting Period Endorsement becomes effective, whether the other insurance applies on a primary, excess, contingent, or any other basis.
5. **Our** offer of terms, conditions or premium different from the expiring policy shall not be considered a refusal or failure to renew this insurance.

6. An Unlimited Duration Optional Extended Reporting Period Endorsement for **you** is applicable in the event of death, disability, or retirement with the following terms and conditions:
- a. An Unlimited Duration Optional Extended Reporting Period Endorsement will be issued to **you** or to **your** estate at no charge if **you** die or become permanently disabled during the **policy period**. The first Named Insured or **your** estate must, within sixty (60) days after the end of this **policy period**, write to tell **us** the coverage is desired. **We** also require:
    - (1) Written proof of **your** death; or
    - (2) Written proof of **your** permanent disability, including the date it happened, certified by your attending physician. **You** must agree to submit to medical examination(s) by any physician(s) **we** designate if requested.
  - b. **We** shall offer **you** an Unlimited Duration Optional Extended Reporting Period Endorsement for no charge using the standard underwriting practices in accordance with state requirements if:
    - (1) **you** have been insured by **us** consecutively for at least five (5) years at the time of **your** request; and
    - (2) **you** retire during the **policy period** after reaching the age of fifty (50) years old.
  - c. The Limits under this Policy at the time of termination, death, disability or retirement will be the Limits applying to the Optional Extended Reporting Period.
7. An Unlimited Duration Optional Extended Reporting Period Endorsement for **you** is applicable after a ten (10) year continuous claims-made relationship with **us**. The Unlimited Duration Optional Extended Reporting Period Endorsement will not be applicable to **you** for termination of the claims-made policy due to **your** nonpayment of premium.

All other terms and conditions of the Policy remain the same.

Authorized Representative

Psychiatrists GL estimate

ISO class 44437

Square Footage:(rate per \$1000 feet square footage)

**2.5**

ISO Terr	1	2	3	4	5	6	7	average
loss cost	\$ 47.30	\$ 75.10	\$ 41.10	\$ 52.10	\$ 82.90	\$ 47.30	\$ 54.80	\$ 57.23
LCM	1.490							
ILF	1.65							
Rate	\$ 116.31	\$ 184.67	\$ 101.07	\$ 128.11	\$ 203.85	\$ 116.31	\$ 134.75	\$ 140.73
<b>Premium</b>	<b>\$ 290.78</b>	<b>\$ 461.68</b>	<b>\$ 252.66</b>	<b>\$ 320.29</b>	<b>\$ 509.63</b>	<b>\$ 290.78</b>	<b>\$ 336.89</b>	<b>\$ 351.81</b>

Premise Liability Credit:

**50%**

**\$176**

Our coverage is more restrictive than the ISO GL coverage form, providing about half of the actual coverage.

The BI and PD coverage is paid to "patients" and others that you "invite" to your premises, while the ISO BI PD can be paid to all "others."

Further, the premise liability coverage does not provide advertising injury, medical payments, and supplementary payments.

## **PSYCHIATRISTS PROFESSIONAL LIABILITY PROGRAM**

### **AIG-13-EO-05**

#### **ILLINOIS Premise Liability Explanation**

We will include, with no change to the current base premium, a \$10k Premise Liability Limit, completely separate from the Professional Liability limit. We will also offer the option to purchase up to \$1M in Premise Liability coverage for a separate charge. This charge is derived from the ISO GL loss cost for a similar class of business, 44437 in IL. We used an estimated exposure for the typical Psychiatrist account, along with the estimated distribution of our book of business across ISO territories in IL, and the program underwriting expenses were loaded into the loss cost to arrive at an indicated full premises and operations rate. Next, we understand our Premise Liability coverage is much more limited than the standard ISO GL coverage. We assumed our coverage is about 50% as extensive as the ISO coverage. Here is why: the Bodily Injury and Property Damage coverage is paid to "patients," while the ISO BI PD can be paid to all "others."

Further, our premise liability coverage does not provide advertising injury, medical payments, and supplementary payments. As a result we credit the average ISO GL premium in IL for \$1M by 50%. Please see the attached exhibit further detailing this explanation.

<b>State:</b>	Illinois	<b>Filing Company:</b>	National Union Fire Insurance Company of Pittsburgh, Pa.
<b>TOI/Sub-TOI:</b>	11.0 Medical Malpractice - Claims Made/Occurrence/11.0026 Psychiatry		
<b>Product Name:</b>	Psychiatrists Professional Liability Insurance Program 015106400288		
<b>Project Name/Number:</b>	Psychiatrists Professional Liability Insurance Program/AIG-13-EO-05		

## Superseded Schedule Items

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Creation Date	Schedule Item Status	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
07/29/2013		Rate	IL Rules (4.2013)	08/12/2013	IL Rules (4-2013) revised 7-13.pdf (Superceded)
06/11/2013		Rate	IL Rates Page	08/12/2013	IL Rates Page.pdf (Superceded)
06/11/2013		Rate	IL Rules (4.2013)	07/29/2013	IL Rules 4-13.pdf (Superceded)



**NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA**  
**PSYCHIATRIST PROFESSIONAL LIABILITY**  
**ILLINOIS**

**ELIGIBILITY RULE:** All Psychiatrists eligible for coverage under this program will have an MD or DO with training in their field of psychiatry, and a license in the state they practice.

**1. Coverage:** Coverage's are written on an Occurrence or Claims Made basis. For details of coverage please refer to the policy form.

**2. Rates:** All rates are based on a one (1) year policy period unless otherwise noted. For a policy term other than annual all rates will be pro-rata. Calculate rate using the rates in effect on the policy date and by the territorial base rate definitions of this state.

**3. Additional Premium (AP) and Return Premium (RP):**

The additional premium charges will be calculated as follows:

- a) Pro-rate all changes requiring additional premium.
- b) Apply the rates and rules in effect on the effective date of the change.
- c) Waive additional premium of \$20.00 or less. The waiver only applies to cash exchange due on an endorsement effective date.

The return premium charges will be calculated as follows:

- a) Deletion of a mandatory coverage is not permitted unless the entire policy is canceled.
- b) Compute return premium at the rate used to calculate the policy premium.
- c) Compute return premium pro rata when any coverage or exposure is deleted or an amount of insurance is reduced.
- d) Waive return premium of \$20.00 or less. Grant any return premium if requested by the Insured. This waiver only applies to cash exchanges due on the endorsement effective date.

**4. Limits of Liability:**

Manual rates provide a basic professional liability limit of \$1,000,000 each occurrence, a premise liability limit of \$1,000,000 each occurrence, and a combined professional and premise liability \$3,000,000 aggregate as well as the following:

- \$25,000 for Administrative Hearing coverage
- \$25,000 for Billing E&O Claims Expense coverage
- \$50,000 for Corporate Identity Protection coverage
- \$50,000 for HIPPA Defense only coverage

**5. Rating Procedure:**

**Individual:** The Named Insured individual Psychiatrist listed on the Declarations Page receives a basic rate which is derived from the location of the practice. Individual coverage (separate limit) for other behavioral health professionals will be rated as a percentage of the applicable Psychiatrist premium. Based on the following:

<u>Professional Type</u>	<u>Relativity to Psychiatrist Rate</u>
Psychologists.....	0.25
Social Workers .....	0.03
Therapists .....	0.03
Nurses.....	0.05
Nurse Practitioners/Physician Assistant .....	0.25

When any professional (including Psychiatrist) is added to an individual's policy with shared limits, there will be a 15% reduction in the calculated premium based on the above table or individual Psychiatrist base rate.

**Corporation/Group Account:**

A corporation/group account may be listed as the Named Insured on the Declarations Page. Premium calculation is as follows:

When we insure all professional employees of an entity:  
Add individually derived premiums for each scheduled named insured. The base rate for each individual will be reduced by the following factors when the insured is sharing the limit with the entity:

Number of Insured's	Reduction Factor
< 5	5%
5 or more	10%

When we do not insure all professional employees of an entity, including physicians and ancillary professionals, there will be a charge to account for the vicarious liability based on the number of uninsured employees as follows:

Number of employees	Vicarious Liability Surcharge
<5	2%
5-19	5%
>20	10%

If the Professional Employee Exclusion is added, this charge is waived.

**Additional Insured:** An additional insured may be added with shared limits to a corporation or group policy or an individual Psychiatrist's policy for a 5% charge of the developed premium. Coverage is only provided with respect to the actions of the named insured.

Additional Named Insured's that are corporations or entities may be added as follows:

- Where we insure all of the professional employees, the additional Named Insured is added to a policy with shared limits for no additional charge;
- Where we insure all of the professional employees, the additional Named Insured is added with separate limits for a 10% surcharge; this will be capped at 10% of the top 5 highest priced individuals.
- Where we do not insure all of the professional employees, the additional Named Insured may be added with shared limits using the vicarious liability surcharge listed above;
- Where we do not insure all of the professional employees, the additional Named Insured may be added with separate limits for a 10% surcharge (capped as derived from the 5 highest priced individuals) plus the vicarious liability surcharge.

If the Professional Employee Exclusion is added, the vicariously liability charge is waived.

**6. Deductibles:** A Deductible will be offered at the insured's request for the amount listed on the corresponding state's rate page. This deductible will apply to indemnity only.

## **7. Rating Modifications:**

### **Discounts:**

- Part-time - Each individual will be charged 50% of the full-time premium rate for practicing 20 hours or less per week, or fewer than 26 weeks per year.
- Prep Discount – This is available to those Psychiatrists entering private practice for the first time who purchase a policy within 3 years upon completing an internship program, fellowship program, residency program or military service. The applicable prep discount is based on the number of years since the psychiatrist completed the program or service as follows:

Number of Years	Discount
<1	50%
1 < 1.99	35%
2 < 2.99	25%
≥ 3	None

- Member in Training (MIT Discount) – 50% discount is available to those insured's classified as a MIT by the American Psychiatric Association.

Only one of the above discounts may apply to an insured per policy year.

- Risk Management Credit 5-10%
  - a. Participated in Risk Management focused continuing education program. (5%)
  - b. Participated in Risk Management seminar in the last 12 months, in addition to continuing education requirement. (10%)
- Child and Adolescent Psychiatry - a 15% discount is available for Psychiatrists whose patient base is less than 50% adult psychiatry.
- New Business – A 10% credit will be applied for each insured applying to the CIS Company/Program for the first time, provided they have been claims free for the past 12 months.

**Schedule Rating:** To recognize the individual and unique characteristics within each account, it shall be permissible to apply a Schedule Rating debit and/or credit. *The following scheduled modifiers will be considered on the listed criteria and the range will be as indicated below.*

- Practice Setting (+/- 25%)
  - a) Detention Facilities
  - b) Patient Recruitment
  - c) Facility has been subject to license or accreditation disciplinary action or federal investigation or prosecution, mass tort litigation or investigative reporting
  - d) Clinical teaching activities exceed 50% of total practice time.
- Nature and Scope of Practice (+/- 25%)
  - a) Treatment of borderline personalities and multiple personality disorders
  - b) Treatment of Pain Management
  - c) Use of abreaction, rage; sodium amytal, sex and recovered memory therapies.
  - d) Supervision of /Consultation with professionals in 1,2 and 3 above
  - e) Above or below average daily patients volume
  - f) Adverse Risk not considered in base rate
- General Factors (-10%/+25%)
  - a) Hospital Staff Privileges
  - b) Managed Care Network Privileges
  - c) Medical Record Keeping and Billing

*The maximum scheduled rating adjustment will be +/-25%*

**Experience Rating:** Based upon the insured's claim experience and history over the preceding ten (10) year period, an Experience Rating debit or credit may be applied. The maximum credit shall not exceed 10% and debit shall not exceed 50%. *The following debits/credits will be considered on the claims history criteria of the insured and the range will be as indicated below.*

- Claims Free Credit
 

a) 1 year loss free	1%
b) 2 years loss free	2%
c) 3 years loss free	3%
d) 4 years loss free	4%
e) 5 years loss free	5%
f) 6 years loss free	6%
g) 7 years loss free	7%
h) 8 years loss free	8%
i) 9 years loss free	9%
j) 10 years loss free	10%

- Loss Experience is determined based on the chargeable loss amount and frequency within the last 5 years. The chargeable loss includes loss payments, outstanding reserves, and loss adjustment expenses. One (1) loss is considered to be a reported claim that incurs at least \$250 of chargeable loss.

Chargeable loss	Applied Debit			
	1 loss	2 losses	3 losses	4 losses
\$250 - \$3,000	0%	10%	15%	30%
\$3,001 - \$10,000	10%	15%	20%	35%
\$10,001 - \$25,000	15%	20%	25%	40%
\$25,001 - \$50,000	20%	25%	30%	50%
\$50,001 - \$100,000	25%	30%	40%	50%
\$100,001 +	30%	40%	50%	50%

*The maximum combined Rating Modification will be -75% (if 1-3 of discounts applies) otherwise the maximum will be -50% and +50%.*

8. **Administrative Hearing:** Additional limits for Administrative Hearing Coverage are available as provided within the Rating Plan.
9. **Corporate Identity Protection:** Additional limits for Corporate Identity Protection are available as provided within the Rating Plan.
10. **Billing E&O Claims Expense Coverage:** Additional limits for Billing E&O Claims Expense Coverage are available as provided within the Rating Plan.
11. **HIPAA Defense Only Coverage:** Additional limits for HIPPA Defense Only Coverage are available as provided within the rating Plan.
12. **Cancellation:**  
The policy will be cancelled as the pro-rata unearned premium for the following instances:
  - a) A policy is cancelled by the company;
  - b) The insured company no longer has an insurable or financial interest;
  - c) A policy is cancelled and rewritten.
 The policy will be cancelled as 90% of the pro-rata unearned premium when:
  - a) The cancellation is the result of any other circumstance.
13. **Extended Reporting Period (ERP):** Coverage for the ERP will be granted upon request, pursuant to the applicable policy conditions regarding the Extended Reporting Period. The rate will be calculated by applying the corresponding factor on the individual's state rate page to the most recently expiring annual premium rate. The available limits of liability shall not exceed those afforded under the current policy.  
  
The Extended Reporting Period will be provided at no cost if:
  - a) The insured has maintained a continuous 10 year relationship with no claims reported during that period.
  - b) The insured retires permanently at 55, and has been insured with the company for at least 5 consecutive years.
  - c) The insured dies, or is permanently disabled while the policy is in force.
14. **Locum Tenens:** A Locum Tenens endorsement may be provided for Psychiatrists who temporarily replace an insured Psychiatrist for a period up to 60 days each policy year. The Locum Tenens will share in the insured's limit of liability. As a result, there will be no additional premium charge.
15. **Disability or Leave of Absence (LOA):** An insured may request a period of restricted coverage due to a disability or a prolonged leave of absence. The insured will not be covered for claims or suits which arise based on an occurrence within the scheduled period of disability or leave of absence. The insured is entitled to report claims during this period, only if they arise from occurrences when the policy was in force.

If the period is between 45-90 days, a premium rate of 50% will apply. If the period is between 91 days – 1 year, a premium rate of 25% will apply.

If the Named Insured does not return to practice after the period of disability or leave of absence, the Company will date the cancellation and calculate the premium for the Extended Reporting Period Endorsement effective from the beginning of the period of suspension.

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The following conditions apply:

- a) There can be no coverage of known claims
- b) Prior Acts coverage is to be provided only to an insured switching from a claims-made policy and is not available to an insured with an uninsured prior acts exposure; and
- c) Prior Acts coverage, once purchased, must survive termination of the occurrence policy; i.e. any act is treated as if it took place while the occurrence policy was in place.

**NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA  
PSYCHIATRISTS PROFESSIONAL LIABILITY PROGRAM  
RATE PAGE**

**ILLINOIS**

**I. Base rate for \$1,000,000/\$3,000,000 Claims Made Coverage:**

Territory 1 - Cook, Dupage, Kane, Lake, Madison, McHenry, St. Clair, Will Counties	\$17,893
Territory 2 - Champaign, Jackson, Macon, Sangamon, Vermillion Counties	\$12,525
Territory 3 - Rest of State	\$8,946

**II. Increased Limit Factors:**

\$100,000/\$300,000	0.670
\$200,000/\$600,000	0.750
\$250,000/\$750,000	0.770
\$300,000/\$900,000	0.800
\$400,000/\$1,200,000	0.850
\$500,000/\$1,500,000	0.950
\$1,000,000/\$1,000,000	0.970
\$1,000,000/\$3,000,000	1.000
\$2,000,000/\$4,000,000	1.250
\$2,000,000/\$6,000,000	1.280

**III. Claims-Made Conversion Factors (% of occurrence premium):**

**Number of years Claims-Made Coverage:**

First Year	0.350
Second Year	0.650
Third Year	0.850
Fourth Year	0.950
Fifth Year and Thereafter	1.000

<b>Occurrence</b>	1.110
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**IV. Deductibles**

Deductible Amount	Credit Factor
\$5,000	2.5%
\$10,000	4.5%
\$25,000	9.0%

**V. Extended Reporting Period**

# Years of Extended Reporting	Charge
Unlimited	200%

**NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA**  
**PSYCHIATRISTS PROFESSIONAL LIABILITY PROGRAM**  
**ILLINOIS**

**Ancillary Defense Coverage's**

**I. CORPORATE IDENTITY PROTECTION COVERAGE**

**Increased Limit Option 1:**

CIP Coverage Sublimit	\$100,000	
a. Personal Identity Liability Sublimit	\$100,000	for all personal identity events
b. Administrative Action Sublimit	\$100,000	for all administrative expenses for all notification costs, crisis expenses and post event services
c. Identity Event Services Sublimit	\$100,000	
CIP Retention	\$500	each personal identity event
CIP Additional Premium	\$600	

**Increased Limit Option 2:**

CIP Coverage Sublimit	\$250,000	
a. Personal Identity Liability Sublimit	\$250,000	for all personal identity events
b. Administrative Action Sublimit	\$250,000	for all administrative expenses for all notification costs, crisis expenses and post event services
c. Identity Event Services Sublimit	\$250,000	
CIP Retention	\$500	each personal identity event
CIP Additional Premium	\$822	

**II. ADMINISTRATIVE HEARING DEFENSE COVERAGE**

**Increased Limit Option 1:**

Administrative Hearing Defense Sublimit	\$50,000
Additional Premium:	\$300

**Increased Limit Option 2:**

Administrative Hearing Defense Sublimit	\$100,000
Additional Premium:	\$800

**Increased Limit Option 3:**

Administrative Hearing Defense Sublimit	\$250,000
Additional Premium:	\$1,096

**Increased Limit Option 4:**

Administrative Hearing Defense Sublimit	\$500,000
Additional Premium:	\$1,400

**III. BILLING E&O CLAIM EXPENSE COVERAGE**

**Increased Limit Option 1:**

Billing E&O Claim Expense Sublimit	\$50,000
Additional Premium:	\$160

**Increased Limit Option 2:**

Billing E&O Claim Expense Sublimit	\$100,000
Additional Premium:	\$427

**IV. HIPAA DEFENSE COVERAGE**

**Increased Limit Option 1:**

HIPAA Defense Coverage	\$100,000
Additional Premium:	\$153

**V. MEDICAL DIRECTOR COVERAGE**

Add Medical Director Coverage to a Named Insured's Professional Services	\$595
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**NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA**  
**PSYCHIATRIST PROFESSIONAL LIABILITY**  
**ILLINOIS**

**ELIGIBILITY RULE:** All Psychiatrists eligible for coverage under this program will have an MD or DO with training in their field of psychiatry, and a license in the state they practice.

1. **Coverage:** Coverage's are written on an Occurrence or Claims Made basis. For details of coverage please refer to the policy form.

2. **Rates:** All rates are based on a one (1) year policy period unless otherwise noted. For a policy term other than annual all rates will be pro-rata. Calculate rate using the rates in effect on the policy date and by the territorial base rate definitions of this state.

3. **Additional Premium (AP) and Return Premium (RP):**

The additional premium charges will be calculated as follows:

- a) Pro-rate all changes requiring additional premium.
- b) Apply the rates and rules in effect on the effective date of the change.
- c) Waive additional premium of \$20.00 or less. The waiver only applies to cash exchange due on an endorsement effective date.

The return premium charges will be calculated as follows:

- a) Deletion of a mandatory coverage is not permitted unless the entire policy is canceled.
- b) Compute return premium at the rate used to calculate the policy premium.
- c) Compute return premium pro rata when any coverage or exposure is deleted or an amount of insurance is reduced.
- d) Waive return premium of \$20.00 or less. Grant any return premium if requested by the Insured. This waiver only applies to cash exchanges due on the endorsement effective date.

4. **Limits of Liability:**

Manual rates provide a basic professional liability limit of \$1,000,000 each occurrence, a premise liability limit of \$1,000,000 each occurrence, and a combined professional and premise liability \$3,000,000 aggregate as well as the following:

- \$25,000 for Administrative Hearing coverage
- \$25,000 for Billing E&O Claims Expense coverage
- \$50,000 for Corporate Identity Protection coverage
- \$50,000 for HIPPA Defense only coverage

5. **Rating Procedure:**

**Individual:** The Named Insured individual Psychiatrist listed on the Declarations Page receives a basic rate which is derived from the location of the practice. Individual coverage (separate limit) for other behavioral health professionals will be rated as a percentage of the applicable Psychiatrist premium. Based on the following:

<u>Professional Type</u>	<u>Relativity to Psychiatrist Rate</u>
Psychologists.....	0.25
Social Workers .....	0.03
Therapists .....	0.03
Nurses.....	0.05
Nurse Practitioners/Physician Assistant .....	0.25

When any professional (including Psychiatrist) is added to an individual's policy with shared limits, there will be a 15% reduction in the calculated premium based on the above table or individual Psychiatrist base rate.

**Corporation/Group Account:**

A corporation/group account may be listed as the Named Insured on the Declarations Page. Premium calculation is as follows:



When we insure all professional employees of an entity:

Add individually derived premiums for each scheduled named insured. The base rate for each individual will be reduced by the following factors when the insured is sharing the limit with the entity:

Number of Insured's	Reduction Factor
< 5	5%
5 or more	10%

When we do not insure all professional employees of an entity, including physicians and ancillary professionals, there will be a charge to account for the vicarious liability based on the number of uninsured employees as follows:

Number of employees	Vicarious Liability Surcharge
<5	2%
5-19	5%
>20	10%

If the Professional Employee Exclusion is added, this charge is waived.

**Additional Insured:** An additional insured may be added with shared limits to a corporation or group policy or an individual Psychiatrist's policy for a 5% charge of the developed premium. Coverage is only provided with respect to the actions of the named insured.

Additional Named Insured's that are corporations or entities may be added as follows:

- Where we insure all of the professional employees, the additional Named Insured is added to a policy with shared limits for no additional charge;
- Where we insure all of the professional employees, the additional Named Insured is added with separate limits for a 10% surcharge; this will be capped at 10% of the top 5 highest priced individuals.
- Where we do not insure all of the professional employees, the additional Named Insured may be added with shared limits using the vicarious liability surcharge listed above;
- Where we do not insure all of the professional employees, the additional Named Insured may be added with separate limits for a 10% surcharge (capped as derived from the 5 highest priced individuals) plus the vicarious liability surcharge.

If the Professional Employee Exclusion is added, the vicariously liability charge is waived.

**6. Deductibles:** A Deductible will be offered at the insured's request for the amount listed on the corresponding state's rate page. This deductible will apply to indemnity only.

## **7. Rating Modifications:**

### **Discounts:**

- Part-time - Each individual will be charged 50% of the full-time premium rate for practicing 20 hours or less per week, or fewer than 26 weeks per year.
- Prep Discount – This is available to those Psychiatrists entering private practice for the first time who purchase a policy within 3 years upon completing an internship program, fellowship program, residency program or military service. The applicable prep discount is based on the number of years since the psychiatrist completed the program or service as follows:

Number of Years	Discount
<1	50%
1 < 1.99	35%
2 < 2.99	25%
≥ 3	None

- Member in Training (MIT Discount) – 50% discount is available to those insured's classified as a MIT by the American Psychiatric Association.

Only one of the above discounts may apply to an insured per policy year.

- Risk Management Credit 5-10%
  - a. Participated in Risk Management focused continuing education program. (5%)
  - b. Participated in Risk Management seminar in the last 12 months, in addition to continuing education requirement. (10%)
- Child and Adolescent Psychiatry - a 15% discount is available for Psychiatrists whose patient base is less than 50% adult psychiatry.
- New Business – A 10% credit will be applied for each insured applying to the CIS Company/Program for the first time, provided they have been claims free for the past 12 months.

**Schedule Rating:** To recognize the individual and unique characteristics within each account, it shall be permissible to apply a Schedule Rating debit and/or credit. *The following scheduled modifiers will be considered on the listed criteria and the range will be as indicated below.*

- Practice Setting (+/- 25%)
  - a) Detention Facilities
  - b) Patient Recruitment
  - c) Facility has been subject to license or accreditation disciplinary action or federal investigation or prosecution, mass tort litigation or investigative reporting
  - d) Clinical teaching activities exceed 50% of total practice time.
- Nature and Scope of Practice (+/- 25%)
  - a) Treatment of borderline personalities and multiple personality disorders
  - b) Treatment of Pain Management
  - c) Use of abreaction, rage; sodium amytal, sex and recovered memory therapies.
  - d) Supervision of /Consultation with professionals in 1,2 and 3 above
  - e) Above or below average daily patients volume
  - f) Adverse Risk not considered in base rate
- General Factors (-10%/+25%)
  - a) Hospital Staff Privileges
  - b) Managed Care Network Privileges
  - c) Medical Record Keeping and Billing

**Experience Rating:** Based upon the insured's claim experience and history over the preceding ten (10) year period, an Experience Rating debit or credit may be applied. The maximum credit shall not exceed 10% and debit shall not exceed 50%. *The following debits/credits will be considered on the claims history criteria of the insured and the range will be as indicated below.*

- Claims Free Credit
 

a) 1 year loss free	1%
b) 2 years loss free	2%
c) 3 years loss free	3%
d) 4 years loss free	4%
e) 5 years loss free	5%
f) 6 years loss free	6%
g) 7 years loss free	7%
h) 8 years loss free	8%
i) 9 years loss free	9%
j) 10 years loss free	10%
- Loss Experience is determined based on the chargeable loss amount and frequency within the last 5

years. The chargeable loss includes loss payments, outstanding reserves, and loss adjustment expenses. One (1) loss is considered to be a reported claim that incurs at least \$250 of chargeable loss.

Chargeable loss	Applied Debit			
	1 loss	2 losses	3 losses	4 losses
\$250 - \$3,000	0%	10%	15%	30%
\$3,001 - \$10,000	10%	15%	20%	35%
\$10,001 - \$25,000	15%	20%	25%	40%
\$25,001 - \$50,000	20%	25%	30%	50%
\$50,001 - \$100,000	25%	30%	40%	50%
\$100,001 +	30%	40%	50%	50%

*The maximum combined Rating Modification will be -75% (if 1-3 of discounts applies) otherwise the maximum will be -50% and +50%.*

- 8. Administrative Hearing:** Additional limits for Administrative Hearing Coverage are available as provided within the Rating Plan.
- 9. Corporate Identity Protection:** Additional limits for Corporate Identity Protection are available as provided within the Rating Plan.
- 10. Billing E&O Claims Expense Coverage:** Additional limits for Billing E&O Claims Expense Coverage are available as provided within the Rating Plan.
- 11. HIPAA Defense Only Coverage:** Additional limits for HIPPA Defense Only Coverage are available as provided within the rating Plan.
- 12. Cancellation:**  
The policy will be cancelled as the pro-rata unearned premium for the following instances:
  - a) A policy is cancelled by the company;
  - b) The insured company no longer has an insurable or financial interest;
  - c) A policy is cancelled and rewritten.
 The policy will be cancelled as 90% of the pro-rata unearned premium when:
  - a) The cancellation is the result of any other circumstance.
- 13. Extended Reporting Period (ERP):** Coverage for the ERP will be granted upon request, pursuant to the applicable policy conditions regarding the Extended Reporting Period. The rate will be calculated by applying the corresponding factor on the individual's state rate page to the most recently expiring annual premium rate. The available limits of liability shall not exceed those afforded under the current policy.  
  
The Extended Reporting Period will be provided at no cost if:
  - a) The insured has maintained a continuous 10 year relationship with no claims reported during that period.
  - b) The insured retires permanently at 55, and has been insured with the company for at least 5 consecutive years.
  - c) The insured dies, or is permanently disabled while the policy is in force.
- 14. Locum Tenens:** A Locum Tenens endorsement may be provided for Psychiatrists who temporarily replace an insured Psychiatrist for a period up to 60 days each policy year. The Locum Tenens will share in the insured's limit of liability. As a result, there will be no additional premium charge.
- 15. Disability or Leave of Absence (LOA):** An insured may request a period of restricted coverage due to a disability or a prolonged leave of absence. The insured will not be covered for claims or suits which arise based on an occurrence within the scheduled period of disability or leave of absence. The insured is entitled to report claims during this period, only if they arise from occurrences when the policy was in force.

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